



Review of Budgeting For Outcomes



Budgeting for Outcomes in New Orleans

A GFOA Recommended Practice

Task #1



Determine how much money is available

- Use all revenue sources
- Focus on revenue first, not costs
- Revenue estimate sets amount available for purchasing results (initial estimate based on 2013)

Task #2



Prioritize the results

- No more than ten results
- 2 – 3 outcome measures for each result
- Measures can be used as a community scorecard





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Task #3



Allocate resources among high priority results

- Allocations/priorities done by asking “what is it worth to citizens to achieve this result?”

Task #4



Conduct analyses to determine what strategies, programs and activities will best achieve desired results

- What do we know works?
- Best practices
- Research
- Past experience
- Innovations



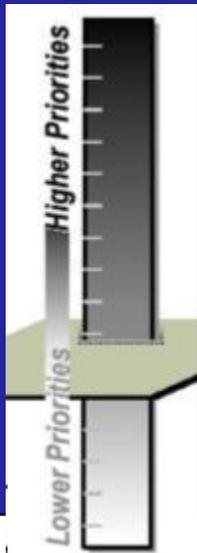


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“What could we get for a different price?”

Task #5



Budget available dollars to the most significant programs and activities

The ranking process:

- Using the analysis, teams rank all the offers they receive
- They then take the money allocated to the result and begin buying offers
- When they run out of money, they draw a line
- Everything above the line is funded; everything below is not

“Can’t afford it. It’s currently ‘below the line.’”





Process Overview Budgeting for Outcomes in New Orleans

A GFOA Recommended Practice

**Task
#6**



**Task
#7**

**Set measures of annual progress, monitor
and close the feedback loop**

Check what actually happened





What's in an Offer?

- Offer title
- Result Area
- Result
- Strategy
- Core, Supplemental or New Funding
- Description of Offer
- Return on Investment
- Performance Data
- Detailed breakdown of Personnel and Other Operating by org. code
- Attached supplementary information – contracts, performance data, etc.





What Makes a Good Offer?

- Does it focus on achieving a result identified in the Result Maps?
- Does it address a strategy identified in the Result Maps?
- Does it identify all funding sources?
- Is there a good process-level performance measure?
- Does it improve an End Outcome Measure?
- Does it encourage collaboration?
- Does it leverage non-General Fund dollars?
- Is it efficient and cost effective?
- Is it proven effective (research- or evidence-based or national standards)?
- Is it innovative?

Emphasis on efficiency, cost-effectiveness, excellence





Budgeting for Outcomes Process

Mar

- Determine How Much Money is Available

Mar

- Establish Prioritized Results

April

- Allocate Revenues to Results

June

- Departments Submit Budget Offers

July

- Results Teams Rank Offers

Sept

- Development of the Budget

Oct

- Submission of Budget to Council





Key Dates

- May 30: Budgeting process begins
- May 30 – June 19: Departments Develop Preliminary Offers
- June 19: Preliminary Offers Due to Result Teams
- July 3 – July 17: Departments Revise Offers Based on Result Team Feedback
- July 17: Final Budget Offers Due to Result Teams
- July 17: Budget System Closes
- Week of July 22: Results Teams Rank Final Offers
- August: CAO Budget Hearings by Result Team
- October 15: Budget Presented to Council





Budgeting for Outcomes

Questions?

